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Governor

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Lieutenant Governor

State of Utah

DEPARTMENT OF NATURAL RESOURCES

MICHAEL R. STYLER
Executive Director

Division of Oil, Gas and Mining

JOHN R. BAZA
Division Director

January 27, 2010

Certified Return Receipt
7003 2260 0002 0247 9130

Corey Meyer
Associated Bank, Trade Services
200 North Adams Street
Green Bay, Wisconsin 54301

Subject: Non-Renewal of Letter of Credit # _____, TME Asphalt Ridge LLC, TME AR Lecy Mine,
Uintah County, Utah

Dear Mr. Meyer:

The Utah Division of Oil, Gas and Mining (Division) received your letter dated January 20, 2010, regarding non-renewal of Letter of Credit # _____ in the amount of \$20,700.00. The mine operator, TME Asphalt Ridge LLC, has been advised that a replacement surety must be provided by March 22, 2010. If a replacement surety is not provided by that date, the Division will immediately submit to you its sight draft for the full face value of the letter of credit. The Division anticipates that payment of \$20,700.00 will be made by delivery of certified funds payable to the State of Utah within two days following your receipt of the sight draft. Payment should be sent to the above address by a next day delivery. The Division will hold the funds as surety for itself to be used for reclamation of the TME AR Lecy mine pending a forfeiture action to be filed before the Board of Oil, Gas and Mining.

We are anticipating that the operator will not fulfill this bonding requirement and the Division will have to move forward with the presentation of the sight draft. Please advise if you have any questions and let me know in writing if this procedure is not acceptable.

Thank you. If you have any questions, please feel free to call me at (801) 538-5261.

Sincerely,

Paul Baker
Minerals Program Manager

PBB:pb

Enclosure Letter dated January 20, 2010, and Sight Draft

Cc: Jim Runquist, TME Asphalt Ridge

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